



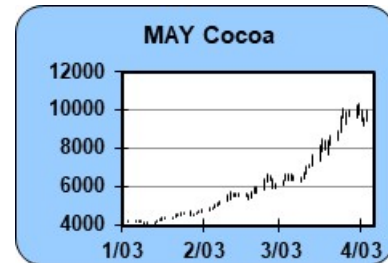
DAILY SOFTS COMMENTARY Tuesday April 09, 2024

DAILY COCOA COMMENTARY 4/9/2024

West African farmers waiting for rain.

The cocoa market is seeing choppy action around its recent highs, as west African growers continue to fret over the weather. Another week of low rainfall and high temperatures is expected across most of Ivory Coast's main growing areas. They are at the start of their rainy season, and farmers are waiting for heavy rain to offset the impact of hot weather on soil moisture. Farmers said bean quality and availability could improve from mid-May if rains become more regular over the coming week. Ivory Coast port arrivals totaled 3,000 tonnes for the week ending April 7, down from 21,000 for the same week a year ago.

Total arrivals since the start of the marketing year on October 1 have reached 1.304 million tonnes, down 27.4% from the same period in 2023/24. Ivory Coast announced a 50% hike to their minimum farmgate purchase price last week and Ghana announced a 58% increase this week, and it was hoped that this would reduce smuggling and attract more supplies to port, but there is already grumbling that these increases are inadequate compared to the 170% increase global prices since October 1. Open interest fell to a 12-year low on Friday, which raises the possibility that commercials have already covered most of their hedges.



TODAY'S MARKET IDEAS:

A quasi-double top around 9800 in July cocoa is the toppest this market has looked in some time, but it would probably take a more confident weather outlook in West Africa to spark more than a mild setback. Look for support at 8812, followed by 8507 and 8202, with resistance at 9806.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

COCOA TECHNICAL OUTLOOK:

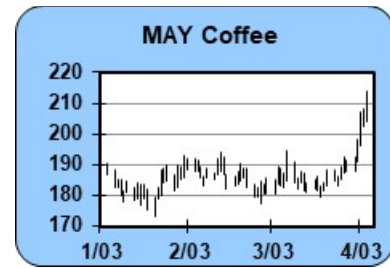
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COCOA (JUL) 04/09/2024: Momentum studies are trending lower from high levels which should accelerate a move lower on a break below the 1st swing support. The market's close above the 9-day moving average suggests the short-term trend remains positive. With the close higher than the pivot swing number, the market is in a slightly bullish posture. The next downside objective is now at 8956. The market is approaching overbought levels with an RSI over 70. The next area of resistance is around 9758 and 10053, while 1st support hits today at 9210 and below there at 8956.

DAILY COFFEE COMMENTARY 4/9/2024

1Q coffee exports up over year ago, thanks to arabica.

After increasing 13% in six sessions, July coffee saw some back and fill yesterday and could be in for some more choppy action this week. The International Coffee Organization said that world coffee exports totaled 11.33 million bags in February, up 6.8% from a year ago. Arabica exports were up 16.9% from a year ago, and robusta were down 4.9%. The increase in Arabica exports was attributed to reduced congestion in Brazilian ports. Vietnam exported 585,696 tonnes of coffee in the first quarter, up 5.9% from a year earlier, and that included 188,972 tonnes in March, up 17.7% from February. India exported 125,631 tonnes in the first quarter, up 13.4% from 2023, including 69,637 tonnes of robusta. Rainfall in Minas Gerais, Brazil measured 2.5 mm last week, 12% of the historical average, according to Somar Meteorologia. Vietnam's coffee areas are expected to remain unusually dry for another week.



TODAY'S MARKET IDEAS:

The lower close yesterday after reaching a new high for the move (highest since August 2022) could make recent longs nervous, especially with technical indicators flashing overbought. Modest retracement support comes in at 200.25, with resistance at 213.80 and 216.30.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

COFFEE TECHNICAL OUTLOOK:

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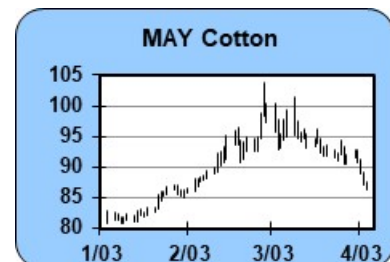
COFFEE (JUL) 04/09/2024: Momentum studies are trending higher but have entered overbought levels. The market's short-term trend is positive on the close above the 9-day moving average. The downside closing price reversal on the daily chart is somewhat negative. The market has a slightly positive tilt with the close over the swing pivot. The near-term upside objective is at 216.08. The market is becoming somewhat overbought now that the RSI is over 70. The next area of resistance is around 212.42 and 216.08, while 1st support hits today at 206.48 and below there at 204.19.

DAILY COTTON COMMENTARY

4/9/2024

Rapid build in ICE exchange stocks.

The cotton market is technically oversold, and traders may be reluctant to push much lower ahead of the USDA supply demand report on Thursday. For the report, a Bloomberg survey shows an average trade expectation for US 2023/24 ending stocks of 2.56 million bales, which would be up from 2.50 million in the March update but down from 4.25 million in 2022/23. World ending stocks are expected to come in at 83.38 million bales versus 83.34 million in March and 82.97 in 2022/23. The weekly crop progress report showed 5% of the US cotton crop was planted as of April 7, up 2% from the previous week, steady with a year ago, and below the 10-year average of 6%. Texas was 8% planted versus 5% last week, 10% a year ago and a 10-year average of 9%. One market watcher commented that December cotton needs an adverse weather event to find support. Heavy rainfall is expected in the Delta this week, which could result in some flooding and delay planting. Overall soil moisture in US cotton areas is much better than it was last year. ICE exchange stocks



reached 112,054 bales on Monday, up 18,730 on Friday and the highest they have been since July 2021. Stocks have increased 110,507 bales since March 5.

TODAY'S MARKET IDEAS:

Rapidly increasing ICE exchange stocks and May cotton trading at a 2.00 discount to July is a bearish setup. A break below 87.73 in July cotton could set the market up for a break to 86.15. Look for resistance at 89.84.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

COTTON TECHNICAL OUTLOOK:

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COTTON (JUL) 04/09/2024: Momentum studies are still bearish but are now at oversold levels and will tend to support reversal action if it occurs. The market's short-term trend is negative as the close remains below the 9-day moving average. The market has a slightly positive tilt with the close over the swing pivot. The next downside target is 86.69. The next area of resistance is around 89.35 and 90.57, while 1st support hits today at 87.42 and below there at 86.69.

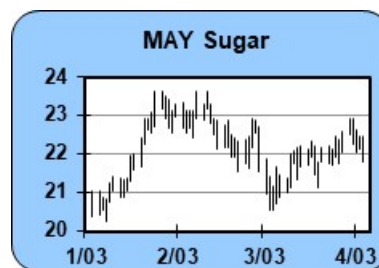
COTTON (DEC) 04/09/2024: The downside crossover of the 9 and 18 bar moving average is a negative signal. Momentum studies trending lower at mid-range should accelerate a move lower if support levels are taken out. A negative signal for trend short-term was given on a close under the 9-bar moving average. The market tilt is slightly negative with the close under the pivot. The next downside target is 81.64. The next area of resistance is around 83.07 and 83.77, while 1st support hits today at 82.01 and below there at 81.64.

DAILY SUGAR COMMENTARY

4/9/2024

India may be considering a boost to ethanol production.

A report overnight that the Indian government is considering a proposal to use an additional 800,000 tonnes of sugar for biofuel this year may support the sugar market today, as this would reduce the chance that the government would allow an increase in exports. The report was from an unnamed source familiar with the matter but was not confirmed. This report comes as recent improvements in production forecasts have sparked speculation that the Indian government would lift its ban on exports. A rebound in Thailand's sugar production since the start of this year has also been a source of pressure on the market recently. The Unica Brazil production report will be released later this week, and it may provide a clue as to how the new harvest is shaping up. Expectations for 2024/25 are down due to the dry conditions in late 2023 and early 2024.



TODAY'S MARKET IDEAS:

News that India may expand ethanol production may lend support to the sugar market today. Look for resistance in July sugar at 21.70 with support at 20.80.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

SUGAR TECHNICAL OUTLOOK:

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SUGAR (JUL) 04/09/2024: Declining momentum studies in the neutral zone will tend to reinforce lower price action. The market's close below the 9-day moving average is an indication the short-term trend remains negative. The market's close below the 1st swing support number suggests a moderately negative setup for today. The next downside target is 20.77. The next area of resistance is around 21.57 and 22.01, while 1st support hits today at 20.95 and below there at 20.77.

OJ TECHNICAL OUTLOOK:

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ORANGE JUICE (MAY) 04/09/2024: Stochastics trending lower at midrange will tend to reinforce a move lower especially if support levels are taken out. The market's short-term trend is negative as the close remains below the 9-day moving average. The market tilt is slightly negative with the close under the pivot. The next downside target is 347.45. The next area of resistance is around 360.75 and 367.30, while 1st support hits today at 350.85 and below there at 347.45.

DAILY TECHNICAL STATISTICS

	CLOSE	9 DAY RSI	14 DAY RSI	14 DAY SLOW STOCH D	14 DAY SLOW STOCH K	4 DAY M AVG	9 DAY M AVG	18 DAY M AVG	45 DAY M AVG	60 DAY M AVG
SOFTS MARKETS COMPLEX										
SBAN24	21.26	37.98	42.58	64.53	49.72	21.67	21.90	21.76	21.87	21.93
CTAN24	88.39	33.90	38.87	9.48	6.94	88.74	90.81	91.92	92.77	90.97
CTAZ24	82.54	32.92	40.27	51.13	30.37	83.20	83.68	83.76	83.56	82.82
CCAN24	9484	75.66	77.29	85.90	84.25	9218.50	9304.56	8461.78	6800.58	6218.70
OJAK24	355.80	40.45	45.32	65.05	54.38	364.58	367.44	364.74	364.19	351.91
KCAN24	209.45	81.62	75.50	86.40	90.87	207.26	198.05	190.28	186.73	186.01
MAK24	16.75	63.04	55.06	25.28	45.85	16.18	16.07	16.28	16.99	17.12

Calculations based on previous session. Data collected 04/08/2024

Data sources can & do produce bad ticks. Verify before use.

DAILY SWING STATISTICS

Contract		Support 2	Support 1	Pivot	Resist 1	Resist 2
SOFTS MARKETS COMPLEX						
SBAN24	Sugar	20.77	20.95	21.39	21.57	22.01
CTAN24	Cotton	86.69	87.41	88.63	89.35	90.57
CTAZ24	Cotton	81.63	82.00	82.70	83.07	83.77
CCAN24	Cocoa	8955	9209	9504	9758	10053
OJAK24	Orange Juice	347.40	350.80	357.35	360.75	367.30
KCAN24	Coffee	204.18	206.47	210.13	212.42	216.08
MAK24	Milk	16.28	16.50	16.78	17.00	17.28

Calculations based on previous session. Data collected 04/08/2024

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